(c) whether Government have investigated into the reasons for continuous increase in the amount of subsidy; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI K. RAHMAN KHAN): (a) to (d) The amount of subsidy/concession disbursed on indigenous urea and decontrolled phosphatic and potassic fertilizers during 1998-99 and as provided for 2004-05 (Budget Estimate) is given in the table below:

(Rs. in crore)

Year	Amount of subsidy disbursed on indigenous urea	Amount of concession disbursed on decontrolled phosphatic and potassic fertilizers
1998-99	7572	3789.85
2004-05 (BE)	8143.15	4046

The amount of subsidy/concession, as provided for in Budget Estimates for 2004-05, is subject to revision at the time of preparation of revised estimates for 2004-05 to provide for any escalation/de-escalation in prices of feedstock, raw materials and inputs used in the manufacture of fertilizers.

The increase in the amount of subsidy/concession is dependent on the quantum of despatches/consumption of fertilizers, prices of feedstock, raw materials and inputs used in the manufacture of fertilizers.

Difference between consumer price and production cost of fertilizers

†520. SHRI RAM JETHMALANI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that there is a huge gap between the production cost of various chemical fertilizers in the country and their respective consumer prices;

(b) if so; the average production cost of all the chemicals fertilizers production during 2003-2004;

†Original notice of the question was received in Hindi.

(c) the respective consumer prices of these chemicals fertilizer during that period; and

(d) to what extent the gap between both the prices has altered during that last three years?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI K. RAHMAN KHAN): (a) The cost of production of various chemical fertilizers is generally higher than their Maximum Retail Price (MRP)/indicative MRPs.

(b) to (d) While the present weighted average group concession rate for urea units for the year 2003-04 works out to Rs. 8675/MT of urea, the MRP of urea is only Rs. 4830/MT. The average cost of production and MRP of urea during the last three years are given below:

Statement

Year	MRP of urea (Rs./MT)	Weighted average retention price/group concession rate (Rs./MT)
2001-02	Rs. 4600 (up to 27.2.2002) Rs. 4830 (w.e.f. 28.2.2002)	Rs. 8194
2002-03	Rs. 4830 (upto to 27.2.2003) Rs. 5030 (w.e.f. 28.2.2003 to 11.3.2003) Rs. 4830 (w.e.f. 12.3.2003)	Rs. 8344
2003-04	Rs. 4830	Rs. 8675

So far as decontrolled phosphatic and potassic fertilizers are concerned, Government is paying concession on these fertilizers under the Concession Scheme. The difference between normative delivered cost and indicative MRPs is being paid as concession. The normative delivered cost of phosphatic and potassic fertilizers is updated every quarter except in case of Single Super Phosphate, on which *ad hoc* concession is being paid. The average normative delivered cost and MRPs of phosphatic and potassic fertilizers during the last three years are given in the Statement.

Statement

Indicative MRPs & average delivered cost of decontrolled P&K fertilizers during the last three years

Product	Indicative MRPs				Average delivered cost				
	from 1.4.2001 to 27.2.02	from 28.2.02 to 27.2.03	from 28.2.03 to 11.3.03	from 12.3.03 to 31.3.03	Average delivered cost from 1.4.01 to 27.2.02	Average delivered cost from 28.2.02 to 31.3.02	Average delivered cost from 1.4.02 to 28.2.03 & from 12.3.03 to 31.3.03	Average delivered cost from 28.02.03 to 31.3.03	Average delivered cost from 1.4.03 to 31.3.04
Ind. DAP	8900	9350	9550	9350	12538	12350	11927	12038	12604
Imp. DAP	8900	9350	9550	9350	10513	10600	11038	10933	11484
MOP	4255	4455	4655	4455	7530	7605	7566	7479	7277
16:20:00	6740	7100	7300	7100	8786	8788	8200	8433	8685
20:20:00	6680	7280	7480	7280	9154	9155	8679	8988	9314
23:23:00	7540	8000	8200	8000	10155	10156	9527	9883	9270
28:28:00	8520	9080	9280	9080	11703	11705	11035	11702	11159
10:26:26	7880	8360	8560	8360	11346	11413	11279	11335	11528
12:32:16	7960	8480	8680	8480	11334	11383	11414	11504	11569
14:28:14	7820	8300	8500	8300	10971	11004	10784	10928	11486
14:35:14	8100	8660	8660	8660	11649	11692	11927	12046	11478
15:15:15	6620	6980	7180	6980	9144	9174	8890	9098	10540
17:17:17	7680	8100	8300	8100	10540	10586	9672	9908	10338
19:19:19	7840	8300	8500	8300	11037	11079	10518	10939	10377

Pricing of life saving drugs

521. SHRI RAJKUMAR DHOOT: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government have decided to revise the prices of life saving drugs;

(b) if so, the details thereof; and

(c) how this decision is going to help the common people?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI K. RAHMAN KHAN): (a) to (c) The Drugs